

I. Status of this Application

Claims 1-129 are now pending.

Claims 119-129 are added.

Claims 1, 26, 43, 44, 69, 86, 88, 104, 118 are the only pending independent claims.

Claims 1, 26, and 43 have been amended to reflect that the method is a computer implemented method. Support for this amendment is found in figure 1.

Support for the step of “determining an effective medium” in claims 119-121, 124, and 125 is found in figure 8, on page 26, lines 14-25, and in claims 26, 69 and 104.

Support, for the steps of “selecting a related promotion based on the status of the promotions determined” and “delivering a related promotion to a customer” in claims 126, 129, 130 is found in figure 4, page 15 lines 25-27, and in claims 1, 44, and 88.

Support for the step of “monitoring customer transactions at a point of sale (POS)” in claims 123, 126, and 129 is found in page 3 lines 26-30 and in claims 43, 86, and 118.

Support for the step of “performing through a single medium in a single transaction, wherein said single medium is a customer computer and said transaction comprises an online shopping event” in claims 124 and 127 is found in Figure 6, page 21 lines 8-10, and claims 21, 22, 64, and 65.

Support for the step of “performing at least two transactions with the customer” in claims 125 and 128 is found in Figure 7, page 21 lines 8-10 and claims 23-25, 66-68, and 101-103.

Support for the step “determining whether said delivery medium meets a predetermined effectiveness criteria” in claims 119-121 is found in Figure 9, and claims 40-42, 83-85, and 115-117.

Support for the steps of “means for receiving an explicit accept or reject indication” and “means for receiving an implicit accept or reject indication from said consumer based on the customer printing or downloading, or declining to print or download the initial promotion” in claim 122 is found in claims 108 and 109.

Support for the step of “selecting a related promotion based on said status of the initial promotion determined comprises selecting a predetermined related promotion, associated with the status of the initial promotion determined” in claims 123, 126, and 129 is found in claims 15,

58 and 97.

II. Response To The Office Action

The cover page of the office action dated September 10, 2004 indicates that claims 1-118 are subject to restriction. The body of the office action states that:

1. Restriction to one of the following inventions is required under 35 U.S.C. 121:

- I. Claims 1-25, 43, 44-68, 86-103 and 118, drawn to selecting a related promotion based on the status of the initial promotion, classified in class 705, subclass 14.
- II. Claims 26-42, 69-85 and 104-117, drawn to determining an effective medium based on the status of each promotion delivered, classified in class 705, subclass 14.

2. The inventions are distinct, each from the other because of the following reasons: Inventions I and II are related as subcombinations disclosed as usable together in a single combination. The subcombinations are distinct from each other if they are shown to be separately usable. In the instant case, invention II has separate utility such as determining an effective medium. See MPEP § 806.05(d).

3. These inventions are distinct for the reasons given above and have acquired a separate status in the art because of their recognized divergent subject matter, restriction for examination purposes as indicated is proper.

4. The examiner spoke to Richard Neifeld on September 2, 2004 and an election was not made by telephone therefore this restriction is proper under MPEP 812.01. [Office action mailed September 10, 2004 page 2 line 5 to page 3 line 3.]

III. Response With Provisional Election And Traverse

In response, the applicant **provisionally** elects group I, claims 1-25, 43, 44-68, 86-103 and 118 **with traverse**. The applicants traverse the requirement because the requirement does not comply with authority binding upon the examiner for the many reasons noted below.

A. No Showing of 35 USC 121's "Independent And Distinct" Requirement

35 USC 121 states:

35 USC 121 Divisional applications.

If two or more independent and distinct inventions are claimed in one application, the Director may require the application to be restricted to one of the inventions. If the other invention is made the subject of a divisional application which complies with the requirements of section 120 of this title it shall be entitled to the benefit of the filing date of the original application. A patent issuing on an application with respect to which a requirement for restriction under this section has been made, or on an application filed as a result of such a requirement, shall not be used as a reference either in the Patent and Trademark Office or in the courts against a divisional application or against the original application or any patent issued on either of them, if the divisional application is filed before the issuance of the patent on the other application. If a divisional application is directed solely to subject matter described and claimed in the original application as filed, the Director may dispense with signing and execution by the inventor. The validity of a patent shall not be questioned for failure of the Director to require the application to be restricted to one invention.

The applicants submit that the examiner has not shown that Groups I and II are independent and distinct, as required by 35 USC 121. In fact, the examiner admits they are not independent by characterizing them as sub-combinations.

B. Comparison Of MPEP Requirements To The Examiner's Basis For Restriction

The MPEP is binding upon the examiner insofar as it is the procedural requirements imposed on the examiner by the Director. Cf. In re Portola, 110 F.3d 786, 788, 42 USPQ2d 1295 (Fed. Cir. 1997). Therefore, a restriction requirement that fails to comply with the MPEP is improper and should be withdrawn. This requirement fails to comply, as shown below, and therefore should be withdrawn.

1. The Two Requirements For Specifying Reasons For Insisting Upon Restriction, In MPEP 808, And A Summary Of Why The Requirements Are Not Satisfied

MPEP 808 states:

808 Reasons for Insisting Upon Restriction

Every requirement to restrict has two aspects: (A) the reasons (as distinguished from the mere statement of conclusion) why the inventions as claimed are either independent or distinct; and (B) the reasons for insisting upon restriction therebetween as set forth in the following sections.

As to requirement “(A),” the examiner has not explained why Group II’s use of “determining an effective medium” is a separate use. Moreover, the examiner has not provided any reason why the group II invention, as claimed, is distinct from the Group I invention. In fact, the applicant adds dependent claim 119 depending from claim 1 (which is in Group I) defining “determining an effective medium.” Since claim 119 is obviously part of what the examiner defines as Group I (via dependency from claim 1), and since claim 119 defines the use in Group I, claim 119 and support therefore show that “determining an effective medium” is not a separate use, as alleged by the examiner. Therefore, the factual assertion upon which the examiner relies for the conclusion that Groups I and II are distinct is incorrect. Therefore, there is no basis for the restriction.

As to requirement “(B),” the examiner’s conclusion that a restriction is required is contrary to her admitting that both groups are classified in class 705, subclass 14 (whose subject matter relates to incentive programs). Requirement “(B)” requires a reason why examination of both groups would be a significant burden. In this case, the examiner admits that both group I and group II are classified in the same class and subclass: 705/14, and there is in fact no significant burden in searching.

Requirements (A) and (B) will each be discussed in more detail below.

2. Requirement For Stating The Reasons (As Distinguished From The Mere Statement) Of Conclusion) Why The Inventions As Claimed Are Either Independent Or Distinct, As Specified In MPEP 816, And Why The Requirement Is Not Satisfied

MPEP 816 states:

816 Give Reasons for Holding of Independence or Distinctness

The particular reasons relied on by the examiner for holding that the inventions as claimed are either independent or distinct should be concisely stated. A mere statement of conclusion is inadequate. The reasons upon which the conclusion is based should be given.

For example, relative to combination and a sub-combination thereof, the examiner should point out the reasons why he or she considers the subcombination to have utility by itself or in other combinations, and why he or she considers that the combination as claimed does not rely on the subcombination as its essential distinguishing part.

Each other relationship of claimed invention should be similarly treated and the reasons for the conclusions of distinctness of invention as claimed set forth.

The separate inventions should be identified by a grouping of the claims with a short description of the total extent of the invention claimed in each group,

specifying the type or relationship of each group as by stating the group is drawn to a process, or to subcombination, or to product, etc., and should indicate the classification or separate status of each group, as for example, by class and subclass. See MPEP § 809.

The applicants submit that the examiner has not complied with MPEP 816. Specifically, MPEP 816 specifies that “relative to combination and a sub-combination thereof, the examiner should point out the reasons why he or she considers the subcombination to have utility by itself or in other combinations, and why he or she considers that the combination as claimed does not rely on the subcombination as its essential distinguishing part.” The examiner has not provided the required reasons. Specifically, the examiner has not explained why she considers that the combination as claimed does not rely on the subcombination as its essential distinguishing part, as required in MPEP 816. Therefore, the requirement is improper and should be withdrawn.

3. The Requirements Specified In MPEP 817 - Outline Of Letter For Restriction Requirement Between Distinct Inventions And Why The Requirements Are Not Satisfied

MPEP 817 states:

817 Outline of Letter for Restriction Requirement Between Distinct Inventions

The statement in MPEP § 809.02 through § 809.02(d) is adequate indication of the form of letter when election of species is required.

No outline of a letter is given for other types of independent inventions since they rarely occur.

The following outline of a letter for a requirement to restrict is intended to cover every type of original restriction requirement between related inventions including those having linking claims.

OUTLINE OF LETTER

(A) Statement of the requirement to restrict and that it is being made under 35

U.S.C. 121

- (1) Identify each group by Roman numeral.
- (2) List claims in each group. Check accuracy of numbering of the claims; look for same claims in two groups; and look for omitted claims.
- (3) Give short description of total extent of the subject matter claimed in each group, pointing out critical claims of different scope and identifying whether the claims are directed to a combination, sub-combination, process, apparatus, or product.
- (4) Classify each group.

The examiner has not given a "short description of total extent of the subject matter claimed in each group, pointing out critical claims of different scope and identifying whether the claims are directed to a combination, sub-combination, process, apparatus, or product. " Specifically, the examiner has not characterized the total extent of Groups I and II. Both groups define inventions that deliver incentives to customers as an essential element. Thus, the examiner has not pointed out critical claims of different scope upon which she bases her conclusions. Therefore, the restriction requirement is improper and should be withdrawn.

4. The Definition In MPEP 802.01 Of "Distinct," Why The Examiner Failed To Show That Groups I And II Are Distinct, And Why "Determining An Effective Medium" Is Not A Separate Use

MPEP 802.01 states the following definition for "distinct":

The term "distinct" means that two or more subjects as disclosed are related, for example, as combination and part (subcombination) thereof, process and apparatus for its practice, process and product made, etc., but are capable of separate manufacture, use, or sale as claimed, AND ARE PATENTABLE (novel and unobvious) OVER EACH OTHER (though they may each be unpatentable because of the prior art).

The examiner has alleged but did not explain why she thought that group I was capable of separate use from group II. The examiner merely asserted that group II had a separate use of “determining an effective medium,” without providing any supporting reasoning. Thus, she did not provide sufficient reasoning to support the requirement.

In fact, the specification discloses that the inventions defined by Groups I and II can both be used to “determine an effective medium.” See specification figure 8 and page 26 lines 14-25.

Moreover, the applicant adds dependent claim 119, depending from claim 1, and defining “determining an effective medium.” Since claim 119 is obviously part of what the examiner claims Group I (via depending from claim 1), it defines what the examiner alleges is the separate use of Group II, in Group I. Therefore, it is clear that Groups I and II are both usable for “determining an effective medium.” Thus, the examiner’s reasoning why Groups I and II are distinct is incorrect. Thus, the restriction is improper and should be withdrawn.

5. The Requirement That There Be A Serious Burden Specified As Set Forth In MPEP 803, And Why There Is No Serious Burden

MPEP 803 states that:

If the search and examination of an entire application can be made without serious burden, the examiner must examine it on the merits, even though it includes claims to independent or distinct inventions.

The applicant submits that the search and examination of the entire application can be made without serious burden.

First, the examiner has admitted that both Group I and Group II are classified in the same class/subclass. Specifically, the examiner has classified both Group I and Group II in class 705 subclass 14. Class 705 subclass 14 contains only 661 patents. That is a miniscule number of patents compared to the number of patents that examiners routinely review during examination of an application. Thus, the search and examination of the entire application can be made without

serious burden. Therefore, the examiner must examine all claims, even if they include claims to independent or distinct inventions.

Furthermore, dependent claims 119-122 have been added to Group I, and they incorporate the limitations of claims 26, 40-42, 69, 83-85, 104, 108, 109, and 115-117 (Group II). Dependent claims 123-129 have been added to Group II and they incorporate the limitations of claims 1, 15, 21-25, 43, 44, 58, 64-68, 86, 88, 97, 100-103, and 118 (Group I). Thus, Group I and Group II contain the same limitations. Therefore, the examiner is going to need to conduct the same search, whether she is examining Group I or Group II. Accordingly, there is no serious burden on the examiner to examine the entire case on its merits.

6. The Burden Placed Upon The Applicant, And Ultimately Also Upon The USPTO By The Requirement

The applicants request that the examiner keep in mind the serious (and often unnecessary) financial burden placed upon *the applicants* in having to split prosecution between division applications in response to restriction requirements and ultimately, the additional burden imposed on the USPTO. Accordingly, the applicants request that the examiner drop the restriction requirement and impose no other requirement for this additional reason.

Should Examiner Alvarez have any questions, the examiner is urged to contact the undersigned at (703) 415-0012.

10/7/04
Date

Respectfully Submitted,

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